The news-item appearing in the Hindustan Times dated 6-11-1996 refers to a sum of Rs. 257 crores being written off as bad debts by Bihar State Co-operative Bank (BSCB). It had been reported by National Bank for Agriculture & Rural Development (NABARD) that there had been no write-off of any loan as bad debt by BSCB. However, the departmental audit report of the bank for the year 1993-94, received in March 1996, revealed certain irregularities in sanction of loans to four Regional Weaver's Unions amounting to Rs.1.45 crores in 1986-87 and 1987-88. BSCB has, on the basis of the audit report and on the basis of verifications, decided to file cases against concerned persons. The matters is reported to be followed up by the Vigilance Cell of the Co-operation Department of the State Government of Bihar.

Rubber Processing Unit

1554. SHRI T. GOVINDAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to set up a rubber processing unit in Kerala; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) As per the present policy, no permission or Industrial Licence is required to set up a rubber based industry. Government does not propose to set up a rubber processing unit in Kerala.

(b) Does not arise.

Burn Standard Co. Ltd.

1555. SHRI HARADHAN ROY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the counter guarantee of Rs. 49.50 crores, as mentioned in reply to Unstarred Question No. 5498 dated 9.5.97 relates to earlier loans taken by the Company from the financial institutions;

(b) if so, the details thereof;

(c) whether Burn Standard Co. Ltd. has not been receiving any further working capital requirement against this counter guarantee from the banks;

(d) if so, the details thereof; and

(e) the steps taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir.

(b) Does not arise.

(c) to (e) Burn Standard Company Ltd. (BSCL) has been enjoying the credit facilities from United Bank of India (UBI) for Rs. 49.50 crore since 1990. However, on the request of Union Bank of India (UBI), the Government has given counter guarantee of said amount. No additional working capital beyond the above has been sanctioned by the bank.

World Bank Loan

1556. SHRI G.A. CHARAN REDDY :

DR. T. SUBBARAMI REDDY :

SHRIMATI LAKSHMI PANABAKA :

SHRI R. SAMBASIVA RAO :

Will the Minister of FINANCE be pleased to state:

(a) the details of schemes implemented in Andhra Pradesh with the assistance from the World Bank and the extent to which the assistance has been utilised during the last three years;

(b) whether a team of officials of the World Bank had discussions with the State during May, 1997 and discussed the modalities regarding utilisation of the assistance extended to the State;

(c) if so, whether the World Bank has given some suggestions in regard to utilisation of funds and implementation of the schemes proposed to be adopted in the State;

(d) if so, the main suggestions made by the World Bank and the extent to which the State Government has agreed to implement these;

(e) the total loan which the World Bank has agreed to provide; and

(f) the steps being taken to utilise the loan fully?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) and (b) The details of on-going State sector World Bank aided projects in the State of Andhra Pradesh is as follows :-

(in US$ million)

	Name of the Project	Amount	Utilisation		
			1993-94	1994-95	1995-96
1.	A.P. First Referral Health Systems	125.68	1.50	0.49	6.12
2.	A.P. Forestry	77.64	5.46	2.60	14.08
3.	Hyderabad Water Supply	89.36	2.60	8.22	16.47
4.	IIIrd A.P. Irrigation	325.00	The Loan has been declared effective on 3.7.97.		
5.	A.P. Hazardous Mitigation Emergency Cyclone	150.00	The Loan is not yet effective.		

(b) No, Sir.

(c) and (d) Do not arise.

(e) and (f) A number of projects, in which state of Andhra Pradesh may be a beneficiary, have been posed to the World Bank for possible assistance. These include A.P. Economic Restructuring, A.P. Power Sector Reform, Hyderabad Water

Supply-II and District Poverty Initiative Projects. These projects are at various stages of processing and the details, including the amount and the time likely to be taken in respect of these projects, will depend upon finalisation and agreement on various conditions between Government and the World Bank.

Foreign Trade Barriers

1557. SHRI VIJAY GOEL : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government's attention has been drawn to the report of the US Government on Foreign Trade Barriers, as appeared in Economic Times, dated 3rd April, 1997;

(b) if so, what is Government's reactions to the contents of this report; and

(c) what steps have been taken by the Government to ensure that exports to US do not suffer and that India is able to effectively safeguard its interests and to negotiate successfully at the WTO and bilateral consultations?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Yes, Sir.

(b) The USA Trade Representative (US TR) releases a report on foreign trade barriers on an annual basis, which is examined in the Government for possible steps to ensure that unilateral action is avoided and Indo-US bilateral trade continues to grow.

(c) The Government takes various steps to ensure that exports to USA do not suffer and that any action taken by the USA based on their analysis is consistent with the provisions of the WTO Agreements. Further, the Government itself also identifies non-tariff barriers imposed by India's major trading partners including USA. Such barriers are then taken up bilaterally with our trading partners to ensure that market access of Indian exporters is not unreasonably hindered. In case of any inconsistency or discrimination, India has a right to approach the WTO Dispute Settlement Mechanism for redressal.

[Translation]

Export Oriented Units In Delhi and Karnataka

1558. SHRI JAI PRAKASH AGARWAL :

SHRI VIJAY SANKESHWAR :

Will the Minister of COMMERCE be pleased to state :

(a) the number of export oriented units which have been set up in Delhi and Karnataka with details of their export commitment;

(b) the details of the units which have been able to meet their export commitment with their earning through export;

(c) the details of the units which have not been able to meet their export commitment and the reasons therefor; and

(d) the steps taken by the Government to monitor the performance of these export oriented units?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH) : (a) As on 31st March, 1997, 28 Export Oriented Units were in production in Delhi and 152 Export Oriented Units were in production in Karnataka. At the time of seeking approval for the scheme EOUs indicate export projections for a period of 5 year which differs from unit to unit. However as per provisions of the Exim Policy EOUs are required to export a minimum stipulated FOB value of their production during 5 years as prescribed for various sectors under the policy.

(b) Export Oriented Units have a 5 year period to fulfil export projections. However, the monitoring of their performance is done on annual basis subject to their having completed one year or more of production. Accordingly export performance of 126 units out of a total of 180 units in production in Delhi and Karnataka monitored upto the period 1995-96 reveals that 69 units have achieved above 50% upto 100% of their export projections. Value of goods exported by these units during this period was Rs. 102.79 Cr. in respect of EOUs in Delhi and US $ 807.84 Mn. In respect of EOUs in Karnataka.

(c) 57 units have shown a shortfall more than 50% in meeting their export projections. The reasons for these are mainly lack of adequate markets and managerial/financial problems.

(d) The performance of Export Oriented Units is reviewed by the Government annually on the basis of monitoring reports of Development Commissioners of Export Processing Zones. Since the untis have a minimum five year period under the scheme to fulfill their export projections, cases of marginal shortfall in achievement are kept under which by Development Commissioners while cases of serious default are referred to Director General of Foreign Trade for penal action under Foreign Trade (Development and Regulation) Act, 1992.

[English]

Recovery of Loans in Maharashtra

1559. SHRI SURESH R. JADHAV : Will the Minister of FINANCE be pleased to state :

(a) the details of the recovery of loans made by the various public sector banks located in Maharashtra, particularly in tribal and backward areas;

(b) the extent to which the recovery of loans is less or more in comparison to other States; and

(c) the steps taken by the Government to provide more loan facilities to the tribal people of the State ?